

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6814

BILL NUMBER: SB 257

NOTE PREPARED: Jan 6, 2012

BILL AMENDED:

SUBJECT: Motor Vehicle Law.

FIRST AUTHOR: Sen. Arnold

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill makes various changes to the motor vehicle law. The bill makes conforming changes, technical corrections, and removes outdated language.

Effective Date: Upon passage; July 1, 2012.

Explanation of State Expenditures: This bill changes renewal dates for certain operator's licenses that are set to expire in CY 2012. This bill is expected to reduce the total number of operator's licenses that will require renewal in CY 2018 by reducing the valid period of operator's licenses issued between May 15, 2007, and December 31, 2007, and renewed in 2012 to 5 years. [There will be no impact on licenses first issued during CY 2008.] As a result, this bill is expected to redistribute a portion of the workload to process operator's license renewal requests from CY 2018 to CY 2017.

[Note: The bill as currently written will not apply to the renewal of licenses issued between January 1, 2009, and May 13, 2010, because these licenses are currently eligible for renewal between CY 2015 and CY 2016 and the bill only applies to licenses that would require renewal in CY 2012.]

Explanation of State Revenues: This bill changes renewal fees for certain operator's licenses that are set to expire in CY 2012. The BMV reports the only fees affected are those that are deposited in the Motor Vehicle Highway Account (MVHA) and the Crossroads 2000 Fund.

The \$9 fee for operator's license renewals affected by the bill is currently deposited in the Motor Vehicle Highway Account (\$6) and the Crossroads 2000 Fund (\$3). For licenses first issued between May 15, 2007, and December 31, 2007, the renewal fee will be \$7.50 (\$5 to the MVHA and \$2.50 to the Crossroads 2000

Fund). There will be no impact on licenses first issued during CY 2008.

As a result of the reduction of renewal fees, the MVHA and Crossroads 2000 Fund are estimated to see revenue reductions of approximately \$376,000 and \$188,000, respectively (a total revenue reduction of \$564,000 during CY 2012).

[Note: The bill as currently written will not apply to the renewal of licenses issued between January 1, 2009, and May 13, 2010, because these licenses are currently eligible for renewal between CY 2015 and CY 2016 and the bill only applies to licenses that would require renewal in CY 2012.]

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: BMV.

Local Agencies Affected:

Information Sources: Elizabeth Murphy, BMV.

Fiscal Analyst: Bill Brumbach, 232-9559.